GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:248
ANSWERED ON:27.02.2008
ADDITIONAL FUNDS FOR PANCHAYATS
Angadi Shri Suresh Chanabasappa

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether his Ministry has proposed any scheme for panchayats to get additional funds competing with each other; and

(b) if so, the details thereof;

Answer

MINISTER OF PANCHAYATI RAJ(SHRI MANI SHANKAR AIYAR)

(a)and(b): Yes Sir. The Panchayat Empowerment and Accountability Incentive Scheme (PEAIS) of the Ministry is already being implemented to incentivise the State Governments/UTs to empower the Panchayats through better and quicker devolution of powers as envisaged in the Part IX of the Constitution. However, as the budget allocation for this scheme is only Rs. 10 crores, the Ministry has now proposed to implement the scheme across the country as a national programme through which States that are able to show better performance over the previous year in empowering Panchayati Raj Institutions and Panchayat which demonstrate better performance in practicing transparency and accountability to citizens, would receive incentive grants. The performance of the States and Panchayat would be independently assessed using a Devolution Index developed for the purpose. The PEAIS is envisaged to be a Government of India-led funding support, to which the World Bank and other donors could supplement with additional funds. The scheme is still in the process of conceptualization and finalization.